



**Management Discussion and Analysis**  
**For the three months ended March 31, 2026**  
(all amounts in U.S. dollars unless otherwise noted)

**Date: May 14, 2026**

This Management Discussion and Analysis (“MD&A”) relates to the financial condition and results of operations of Euro Sun Mining Inc. (“Euro Sun” or the “Company”) as at and for the three months ended March 31, 2026. This MD&A should be read in conjunction with the Company’s unaudited condensed consolidated interim financial statements and related notes as at and for the three months ended March 31, 2026, and its audited consolidated financial statements and related notes as at and for the year ended December 31, 2025. The unaudited condensed consolidated interim financial statements and related notes of Euro Sun have been prepared in accordance with IAS 34, Interim Financial Reporting. Unless otherwise noted, all references to currency in this MD&A are in U.S. dollars.

Certain information contained in the MD&A is forward-looking which involves risks and uncertainties. The forward-looking information is not based on historical fact, but is rather based on the current plans, objectives, goals, strategies, estimates, assumptions and projections about the Company’s industry, business and future financial results. Actual results could differ materially from the results contemplated by this forward-looking information due to a number of factors, including those set forth in this MD&A and under the “Cautionary Statement Regarding Forward Looking Information” and “Risk Factors” sections.

The MD&A was prepared in accordance with the requirements set out in National Instrument 51-102 — *Continuous Disclosure Obligations* of the Canadian Securities Administrators.

Mr. Sivanesan Subramani, B.Sc. (Hons) Geology and Economic Geology, Pri.Sci.Nat. (400184/06), of Caracle Creek International Consulting MinRes (CCIC MinRes) (South Africa), an independent Qualified Person (as defined by National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* (“NI 43-101”)) has reviewed and approved the scientific and technical information in this MD&A under the sections “Company Overview”, “Rovina Valley Project – History and Latest Developments”, “Rovina Valley Project Definitive Feasibility Study”, “Rovina Valley Project Preliminary Economic Assessment”, “Highlights” and “Outlook”.

The scientific and technical information contained in this MD&A has been reviewed and approved by Dr. Andreas Rompel, PhD, a member of the South African Council for Natural Scientific Professions (Pr. Sci. Nat. 400274/04), FSAIMM, an independent consultant, who is a "Qualified Person" as defined by National Instrument 43-101 - Standards of Disclosure for Mineral Projects ("NI 43-101").

Management is responsible for the information disclosed in this MD&A and the accompanying financial statements and has in place the appropriate information systems, procedures and controls to ensure that information used internally by management and disclosed externally is materially complete and reliable. The audit committee of the board of directors of the Company has reviewed this MD&A and the consolidated financial statements as at and for the three months ended March 31, 2026, and Euro Sun’s board of directors approved these documents prior to their release.

## **Company Overview**

The Company is principally a mineral exploration and development company. Through its subsidiaries, the Company is currently focused on advancing its exploration and development plans on its 100%-owned Rovina Valley gold and copper project (the “Rovina Valley Project” or “RVP”) located in west-central Romania. The Rovina Valley Project consists of three copper-gold porphyry systems referred to as Rovina, Colnic and Ciresata on which the Company has carried out extensive exploration programs. RVP is the second largest gold deposit in Europe containing measured and indicated mineral resources of 7.09 million ounces of gold grading 0.55 g/t and 1.41 billion pounds of copper grading 0.16%.

## **Rovina Valley Project – History and Latest Developments**

The Company holds the Rovina Valley Project through a mining license which covers a total of 27.68 square kilometres (the “Rovina Licence”). The Rovina License was officially ratified by the Romanian Government during Q4 2018. This license secures the mineral tenure and allows the Company to begin the permitting process. The Rovina Valley Project is the Company’s sole exploration-development project in Eastern Europe and the main focus of its exploration efforts there since 2005 when it was awarded the Rovina exploration license through a public tender and bid process. Subsequent exploration by the Company defined three copper-gold porphyry systems or deposits: Rovina (the “Rovina Deposit”), Colnic (the “Colnic Deposit”) and Ciresata (the “Ciresata Deposit”). The Colnic Deposit is located approximately 2.5 km south of the Rovina Deposit and the Ciresata Deposit is approximately 4 km south of the Colnic Deposit.

The area covered by the Rovina License lies within the historic ‘Golden Quadrilateral’ mining district and has good road access, as well as proximity to nearby high-tension electric power and water supplies. The topography of the area is hilly with forest vegetation and interspersed grasslands with elevations of 300 to 700 metres above sea-level.

Drilling activities on the Rovina Valley Project stopped on July 5, 2012 due to the impending expiry of the exploration license on August 29, 2012 and closure of the work program for the submittal of final documentation for the conversion to a mining license. In August 2012, the final exploration report was submitted to the Romanian National Agency for Mineral Resources (“NAMR”) and accepted. Romanian mining law states that the holder of an exploration license has the exclusive right to apply for a mining license at any time or within 90 days after the expiration date of the exploration license. The Company, through its wholly owned subsidiary, SAMAX Romania SRL (“SAMAX”) notified NAMR of its intention to exercise its exclusive statutory right to apply for a mining license.

On May 27, 2015, NAMR approved a 20-year mining license for the Rovina Valley Project which represents the first and most important step in the licensing process. During the conversion process from an exploration license to a mining license, no disruptive physical field work (i.e., drilling, land clearing, etc.) can be carried out on the property until after the mining license has been approved.

Under Romanian law, a mining licence may come into effect upon final review by several government departments and its publication in the official gazette. The Rovina Mining License was approved by the Romanian government in November 2018. Following the conversion to a mining license, approval to begin construction and mining operations will require a building authorization permit that will include land re-zoning and final environmental reviews and government approval resulting from a full Environmental Impact Assessment (“EIA”) study. Public consultation is a legal and integral part of the government environmental approval process. Surface rights are severed from mineral rights, and prior to receiving the final construction permit surface rights need to be acquired.

Through SAMAX, the Company continues to maintain its proactive local stakeholder engagement program. The program includes local community hall public meetings, a public information centre and partnership programs with local NGO’s and community leaders to implement community-based projects. The Company’s good relations with the community have allowed unhindered surface access for drilling in the Rovina Valley Project area which requires permission from landowners. In addition, the Company continues with its long lead time work activities for both the EIA and the strategic environmental assessment (the “SEA”) documentation that will be required for the permitting of the project.

In the fourth quarter 2018, the Company engaged AGP Mining Consultants Inc. and Lycopodium Engineering Inc. to complete an independent resource estimate update and to complete a Preliminary Economic Assessment (“PEA”) to disclosure standards defined in NI 43-101. The Company announced the results of the resource estimate update and PEA on February 20, 2019, and the supporting NI 43-101 Technical report is filed on SEDAR in accordance Standards of Disclosure for Mineral Projects.

In May 2020, the Company announced that it had selected NEW SENET (Pty) Ltd. To lead a consortium of specialized independent consultants to deliver a definitive feasibility study (“DFS”) for the Rovina Valley Project in Romania to disclosure standards defined in NI 43-101. This DFS included a detailed resource review and update for the Colnic and Rovina deposits, which were the subject of the study.

On March 1, 2021 the Company announced the results of the DFS including a resource update for the Colnic and Rovina deposits. This DFS is filed in SEDAR in accordance with NI 43-101.

In late 2022, SAMAX received a notice of action from the Cluj County court regarding an action made by Asociatia Declie against SAMAX for the suspension of the environmental endorsement held by SAMAX with respect to the Rovina Valley project (the “Environmental Endorsement”), followed by an action for annulment in respect of the same Environmental Endorsement.

In July 2023, the Company was granted the renewal of its Certificate of Urbanisation for another two years beginning July 2023.

In October 2023, the Cluj County court ruled that the Environmental Resources Management’s (“ERM”) certificate issued by the Ministry of Environment was not valid at the time the Company’s environmental report was submitted for obtaining the Environmental Endorsement. The Company will not appeal this judgement and is preparing new documentation for obtaining a new environmental endorsement.

On March 25, 2025, the Company announced that the Rovina Valley project has been included on the European Union's first list of strategic assets following their May 27, 2024, call for applications under the Critical Raw Materials Act. This decision allows Euro Sun to fast-track the permitting process under new European legislative guidelines to facilitate the development of the Rovina Valley project.

### **Rovina Valley Project Definitive Feasibility Study**

During the development of the DFS, the decision was taken to include the Rovina deposit in the production schedule immediately following the completion of processing of the Colnic deposit ore. Due to the proximity of the Rovina open pit, processing of Rovina ore is possible in the initial processing facility located near Colnic with minimal additional infrastructure. This decision significantly improved the Life of Mine (LOM) and economic results for the project.

### **Updated Definitive Feasibility Study**

On November 14, 2025, along with the completion of the Company’s environmental impact assessment technical report, the Company was also pleased to updated the results of its optimized and updated definitive feasibility study (“DFS”) respecting CAPEX and OPEX revalidation and economic modelling, finalized this week for the Colnic and Rovina open pits - representing the first stage of development at the Company’s flagship Rovina Valley Copper-Gold Project.

Key Highlights from the updated DFS Include (summary table set out in Table 3):

- Pre-Tax NPV increased 173% to \$1,776 million, with a pre-tax IRR of 39.7%, based on \$3,300/oz gold and \$4.5/lb copper

- Estimated to produce 1.47Moz of gold and 403Mlbs of copper over the life of the project at an AISC of \$1,206.3/gold equivalent ounce
- The updated study incorporates the most current cost and capital expenditure data, with initial CAPEX of \$607.1 million
- The Rovina Valley Project incorporates dry stack tailings and is a cyanide free operation

### **Rovina Valley Project Resource Estimate Update**

On March 1, 2021, Euro Sun announced its updated NI 43-101 mineral resource estimate ("2021 Resource Estimate") as prepared by independent consultants Caracle Creek International Consulting MinRes (CCIC MinRes) (South Africa), on its 100% owned Rovina Mining License in west-central Romania. The 2021 Resource Estimate includes the Colnic and Rovina. The Ciresata 2019 Resource Estimate prepared by AGP remains unchanged. These three gold-rich copper porphyry deposits are collectively referred to as the Rovina Valley Project. All three deposits are in close proximity and mill feed will be treated at a central facility. Colnic and Rovina are amenable to open-pit mining and Ciresata to bulk underground mining.

The 2021 Resource Estimate for Colnic and Rovina is an update to the 2019 Resource Estimate (completed by AGP) to primarily reflect the information used in the development of the Definitive Feasibility study. This includes updates to operating costs and metal prices used in the resource constraining Lerchs-Grossmann pit shells. The geologic model and interpolated block model from the 2012 Resource Estimate are not changed in this current estimate (see the 2019 Resource Estimate 43-101 Technical Report filed on SEDAR on April 1, 2019). Mineral resources were estimated in conformance with the 2019 CIM Mineral Resource and Mineral Reserve definitions referred to in NI 43-101 and are considered to have reasonable prospects for economic extraction.

In March 2020, the Company commissioned NEW SENET Pty. Ltd. to complete a DFS on the open-pit Rovina and Colnic deposits. As part of this study, CCIC MinRes completed a detailed technical audit of the resource models, including an assessment on the possible impact of the Euro Sun-Barrick exploration collaboration drilling on the mineral resource estimates. CCIC MinRes also recommended that the Company not update the 2012 geological and mineral resource block models until more holes are added to the resource database. The outcome of the technical audit confirmed the robustness of the AGP mineral resource models for the Rovina and Colnic deposits.

The March 2021 mineral resource estimate for the Rovina and Colnic deposits is, therefore, updated to reflect current metal prices and updated operating parameters derived during the DFS and to make it current and in conformance with the 2014 Canadian Institute of Mining, Metallurgy and Petroleum (CIM) Mineral Resource and Mineral Reserve definitions referred to in the NI 43-101, Standards of Disclosure for Mineral Projects. Mr Sivanesan Subramani, BSc Hons (Geology), Pri.Sci.Nat. (400184/06), is the QP for this mineral resource estimate. The mineral resources are constrained to a Lerchs-Grossmann pit shell using different metal equivalent cut-off grades for the Rovina and Colnic deposits. The geological model and mineral resource block models remain unchanged in this current estimate. The mineral resource estimate for Ciresata remains unchanged from February 2019.

As part of the updated DFS, mineral resource estimates were also again updated. Table 1 summarises the latest mineral resource estimates for the Rovina and Colnic deposits, stated above a 0.25 % Cu equivalent grade cut-off for the Rovina deposit, and above a 0.35 g/t Au equivalent grade cut-off for the Colnic deposit. The total Measured mineral resources for the Rovina and Colnic deposits amount to 62.4 Mt grading at 0.49 g/t Au and 0.21 % Cu, containing 0.99 Moz Au and 288 Mlb Cu; with the Au equivalent grading of 0.79 g/t. The total Indicated mineral resources for the Rovina and Colnic deposits amount to an additional 182.7 Mt grading at 0.39 g/t Au and 0.15 % Cu, containing 2.28 Moz Au and 607 Mlb Cu, with the Au equivalent grading of 0.60 g/t.

**Table 1: 2021 Mineral Resource Estimate – Rovina and Colnic Deposits**

Deposit	Classification	Tonnage (Mt)	Au (g/t)	Cu (%)	Au (Moz)	Cu (Mlb)	Au Eq* (g/t)	Au Eq* (Moz)
Colnic	Measured	29.2	0.65	0.12	0.61	74	0.81	0.76
	Indicated	103.6	0.48	0.10	1.61	224	0.62	2.07
Rovina	Measured	33.2	0.36	0.29	0.38	213	0.77	0.82
	Indicated	79.1	0.26	0.22	0.67	384	0.57	1.46
Colnic & Rovina	Measured	62.4	0.49	0.21	0.99	288	0.79	1.58
	Indicated	182.7	0.39	0.15	2.28	607	0.60	3.53
<b>Total</b>	<b>Measured &amp; Indicated</b>	<b>245.1</b>	<b>0.42</b>	<b>0.17</b>	<b>3.27</b>	<b>895</b>	<b>0.65</b>	<b>5.11</b>

**Notes:**

- *\*Au and Cu Equivalent determined by using a long-term gold price of US\$1,700/oz and a copper price of US\$3.50/lb with metallurgical recoveries not taken into account.*
- *Mineral Resources are reported inclusive of Mineral Reserves. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.*
- *Mineral Resources are contained within a conceptual pit shell that are generated using the same economic and technical parameters as used for Mineral Reserves but at gold price of US\$1,700/oz and a copper price of US\$3.50/lb.*
- *Colnic and Rovina deposits are amenable to open pit mining and Mineral Resources are Pit constrained and tabulated at a base case cut-off grade of 0.35 g/t AuEq for Colnic and 0.25 % CuEq for Rovina*
- *Minor summation differences may occur, because of rounding.*
- *Mineral Resource estimates follow the CIM definition standards for Mineral Resources and Reserves and have been completed in accordance with the Standards of Disclosure for Mineral Projects as defined by National Instrument 43-101.*

The Ciresata underground mineral resource estimate remains unchanged from the 20 February 2019 estimate by AGP. Table 2 summarises the mineral resource estimate for Ciresata, stated at above a 0.65 g/t Au equivalent grade cut-off. The Measured mineral resources amount to 28.5 Mt grading at 0.88 g/t Au and 0.16 % Cu, containing 0.81 Moz Au and 102 Mlb Cu, with the Au equivalent grading of 1.13 g/t. The Indicated mineral resources amount to an additional 125.9 Mt grading at 0.74 g/t Au and 0.15 % Cu, containing 3.01 Moz Au and 413 Mlb Cu, with the Au equivalent grading of 0.97 g/t.

**Table 2: 2019 Mineral Resource Estimate – Ciresata Deposit**

Deposit	Resource Classification	Tonnage (Mt)	Au (g/t)	Cu (%)	Au (Moz)	Cu (Mlb)	AuEq* (g/t)	AuEq* (Moz)
Ciresata	Measured	28.5	0.88	0.16	0.81	102	1.13	1.03
	Indicated	125.9	0.74	0.15	3.01	413	0.97	3.92
	Inferred	8.6	0.70	0.14	0.19	26	0.94	0.25

<b>Total</b>	<b>Measured &amp; Indicated</b>	<b>154.4</b>	<b>0.77</b>	<b>0.15</b>	<b>3.82</b>	<b>515</b>	<b>1.00</b>	<b>4.95</b>
NOTES:								
1. The Ciresata deposit is amenable to bulk underground mining and resources are tabulated at a base case 0.65 g/t AuEq.								
2. No Mineral Reserves have been defined at the Ciresata deposit. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.								
3. Minor summation differences may occur as a result of rounding.								
* The Au and Cu equivalents were determined by using a long-term gold price of US\$1,500/oz and a copper price of US\$3.50/lb.								
Source: From Table 14-20, AGP PEA NI 43-101 2019 Report (available on SEDAR)								

It must be noted that the quantity and grade of Inferred resource reported above are conceptual in nature and are estimated based on limited geological evidence and sampling. Geological evidence is sufficient to imply, but not verify, geological and grade or quality continuity. For these reasons, an Inferred mineral resource has a lower level of confidence than an Indicated mineral resource, and it is reasonably expected that the majority of Inferred mineral resources could be upgraded to an Indicated mineral resource with continued exploration. Mineral resources that are not mineral reserves do not have demonstrated economic viability. Rounding of tonnes as required by reporting guidelines may result in apparent differences between tonnes, grade, and contained metal content.

Changes in the current metal prices and updated operating parameters from the 2012 mineral resource estimate resulted in a shrinkage of the Lerchs-Grossmann mineral resource constraining shell and, therefore, a reduction in the overall mineral resource estimates for the Rovina and Colnic deposits. The total Measured mineral resource tonnage increased by 1.4 %, with the Au and Cu grades remaining the same. The total Indicated mineral resource tonnage decreased by 2.8 %, from 180.7 Mt to 175.6 Mt, with the Au and Cu grades remaining the same. The total Inferred mineral resource tonnage decreased by 10.4 %, from 19.6 Mt to 17.6 Mt, with the Au and Cu grades remaining the same.

**Table 3: 2025 Updated DFS Highlights**

<b>2025 DFS Highlights</b>	<b>Life of Mine</b>	<b>First 10 years</b>
Copper price (base case)	\$4.5 /lb	
Gold price (base case)	\$3300 /toz	
Processing rate	21 000 tonnes per day	
Mine life	17.2 years	
Average annual copper production	23.2 million pounds	14.0 million pounds
Average annual gold production	82,000 troy ounces	107,000 troy ounces
<b>All-in sustaining costs</b>	<b>\$1206.3 toz Au eq</b>	<b>\$1172.4 toz Au eq</b>
Pre-strip Capital	\$19.3 million	\$19.3 million
Initial Capital	\$607.1 million	\$607.1 million
Sustaining Capital	\$84.5 million	\$83 million
<b>Pre-Tax NPV (5% discount rate)</b>	<b>\$1776 million</b>	<b>\$1156 million</b>
<b>Pre-Tax IRR</b>	<b>39.7%</b>	<b>35.7%</b>
<b>Post-Tax NPV (5% discount rate)</b>	<b>\$1469.5 million</b>	<b>\$936.2 million</b>
<b>Post-Tax IRR</b>	<b>35.6%</b>	<b>31.5%</b>
<b>Average Annual Gold Equivalent Production</b>	<b>116,000 troy ounces</b>	<b>116,000 troy ounces</b>

The updated DFS was prepared by ADAR CONSULTING CORP. NEW SENET Pty. Ltd. The updated DFS was filed on SEDAR (on February 17, 2026, in accordance with *National Instrument 43-101: Standards of Disclosure for Mineral Projects* (“NI 43-101”).

The updated DFS has defined maiden reserves for the Rovina Valley Project for the Colnic and Rovina deposits shown in Table 4. The Ciresata deposit, which is amenable to bulk underground mining, was not considered in the current DFS, but will be evaluated in future studies.

**Table 4: 2022 Mineral Reserves Estimate – Colnic and Rovina Deposits**

Deposit	Classification	Tonnage (Mt)	Au (g/t)	Cu (%)	Au (koz)	Cu (t)
Colnic	Proven	25.60	0.65	0.11%	535.0	28,158.7
	Probable	47.99	0.55	0.09%	848.6	43,190.4
Rovina	Proven	22.58	0.34	0.29%	243.3	67,005.8
	Probable	27.13	0.24	0.22%	211.6	60,166.7
Colnic & Rovina	Proven	48.18	0.50	0.20%	778.3	94,164.6
	Probable	75.12	0.44	0.14%	1 060.2	103,357.2
<b>Total</b>	<b>Proven &amp; Probable</b>	<b>123.30</b>	<b>0.47</b>	<b>0.16%</b>	<b>1 838.5</b>	<b>197,522</b>

The Mineral reserve estimate uses a base gold price of \$1,550/oz and a base copper price of \$3.30/lb

**Notes:**

- All tonnes quoted are dry tonnes. Differences in the addition of deposit tonnes to the total displayed is due to rounding.
- The estimate of Rovina Valley Gold Project Mineral Reserves are not at this stage materially affected by any known environmental, permitting, legal, title, taxation, socioeconomic, marketing, political, or other relevant issue. Furthermore, the estimate of Project Reserves is not materially affected by any known mining, metallurgical, infrastructure, or other relevant factor.
- Mineral Reserve estimates follow the Canadian Institute of Mining, Metallurgy and Petroleum (“CIM”) definitions standards for Mineral Resources and Reserves and have been completed in accordance with the Standards of Disclosure for Mineral Projects as defined by National Instrument 43-101.

Further information on the Rovina Valley Project, including the 2022 updated Definitive Feasibility Technical Report, can be found on the Company’s web site at [www.eurosunmining.com](http://www.eurosunmining.com).

All exploration or development field activities undertaken by the Company in Romania must occur on valid mining license, exploration licenses, or prospecting permits issued by NAMR in Bucharest, which is responsible for the administration of all mining and exploration licenses and prospecting permits. According to the regulations and standard practices in Romania, the Company must submit reports of work completed and follow-up work programs on an annual basis to NAMR.

Prior to initiation of any exploration activity, environmental approval of a proposed exploration program must be obtained from various land management agencies having local, county and/or regional jurisdiction. These local agencies are responsible for forestry, surface waters, archaeology and history, and are coordinated through the local environmental agency. The levels of environmental studies and approvals are determined by the local environmental agency following an approval template referred to as the ‘urbanization certificate’. In practice, exploration activities, including drilling, are classified as low impact, and as such do not require comprehensive environmental impact studies.

Environmental permits for exploration are granted for one to two-year periods, and all local agencies have the right to monitor and inspect environmental impacts to evaluate compliance with issued permits even though such monitoring tends to be minimal in scope and nature. Any changes to the exploration activity that result in a greater environmental impact require approval.

Since SAMAX is an exploration and evaluation stage company, the activities it conducts on its projects are largely restricted to drilling and ancillary activities associated with the drilling programs, such as access road and drill pad construction. As such, the reclamation costs in respect of drilling activities are not material to the Company and are factored into the Company's budgets for exploration programs. When the Company wishes to enter the production stage, it will need to prepare a feasibility study as well as extensive environmental impact assessments studies. These environmental impact assessments will provide the Company with a better idea of the future costs of compliance with applicable environmental requirements and will also provide a better estimate of the eventual costs of reclamation obligations at the end of the mine life. The Company having completed an updated DFS in Q1 2022, is currently advancing Environmental Assessment studies for land re-zoning and environmental permitting (see Outlook below).

## Highlights

### *Project Financing*

In July 2025, the Company announced that it had entered a pre-development facility agreement to fund the construction of the Rovina Valley project. The total facility provides the Company up to \$200 million and to date, the Company has drawn \$4,500,000 from the facility. An additional \$15,500,000 may be drawn down within 24 months with an additional \$180,000,000 may be drawn down within 18 months, subject to completion of definitive agreements.

### Outlook

The Company's primary focus is to complete the remaining two approvals for the PUZ approval process as soon as practical. The Company will also prioritize resubmission of new documentation required to obtain its environmental endorsement.

Sixteen of eighteen required review group approvals have been received to date regarding the PUZ.

The Company has completed its environmental impact assessment technical report and management intends to work closely with Romanian officials to coordinate the official submission of the document. This milestone, together with the recent designation as a strategic asset under the CRMA, helps advance the Rovina Valley Project towards construction.

Fundraising will continue to support on-going permitting, operating, and engineering support activities.

### Selected Annual Information

	2025	2024	2023
Net income (loss) for the year	\$ (4,381,181)	\$ 448,390	\$ (4,054,350)
Basic and diluted loss per share	(0.01)	(0.00)	(0.01)
Total assets	\$ 3,217,514	\$ 725,915	\$ 673,002
Number of weighted average shares - basic	405,070,123	334,928,557	293,247,954
Number of weighted average shares - diluted	405,070,123	345,870,921	293,247,954

## Selected Quarterly Financial Information

The following tables set out selected financial information for the last eight quarters:

For the quarters ended	March 31, 2026	December 31, 2025	September 30, 2025	June 30, 2025
Net loss	\$ (769,072)	\$ (1,330,170)	\$ (1,384,475)	\$ (1,112,469)
Basic and diluted loss per share	(0.00)	(0.00)	(0.01)	(0.00)

For the quarters ended	March 31, 2025	December 31, 2024	September 30, 2024	June 30, 2024
Net (loss) income	\$ (554,067)	\$ (605,244)	\$ 2,365,869	\$ (672,218)
Basic and diluted loss per share	(0.00)	(0.00)	0.01	(0.00)

## Results of operations for the three months ended March 31, 2026

### Selected financial information

	Three months ended 2026	Three months ended 2025
Income (loss) income from operations	\$ (769,072)	\$ (554,067)
Income (loss) per share from operations	(0.00)	(0.00)
Expenses:		
Consulting and management fees	\$ 154,609	\$ 150,449
Professional fees	72,947	20,902
General office expenses	16,275	11,289
Travel expenses	45,685	7,100
Shareholder communications and filing fees	51,054	23,435
Share-based compensation	(25,264)	22,683
Other expenses	81,360	(917)
Accretion expense	119,472	-
Change in fair value of warrant liability	(218,838)	-
	\$ 297,300	\$ 234,941
Exploration and evaluation expenditures:		
Consulting and technical	\$ 174,543	\$ 170,488
Surface rights	34,045	18,239
Environmental studies	5,174	-
Field office support and administration	255,410	128,989
Depreciation	2,600	1,410
	\$ 471,772	\$ 319,126

### Results of operations for the three months ended March 31, 2026 ("Q1 2026")

The net loss for Q1 2026 was \$769,072 compared to net loss of \$554,067 for Q1 2025. The associated loss per share was \$0.00 in Q1 2026 and \$0.00 in Q1 2025.

Professional fees of \$72,947 in Q1 2026 compared to \$20,902 in Q1 2025. This increase was primarily due to increased legal costs for the Company.

Travel expenses of \$45,685 in Q1 2026 compared to \$7,100 in Q1 2025. This increase was primarily due to increased travel as the Company works to secure its mining permit.

Shareholder communication and filing fees of \$51,054 in Q1 2026 compared to \$23,435 in Q1 2025. This increase was primarily due to increased exchange fees.

Share-based compensation was a recovery of \$25,264 in Q1 2026 compared to an expense of \$22,683 in Q1 2025. This increase was primarily due to the change in fair value of the Company's DSUs.

Exploration and evaluation expenses of \$471,772 in Q1 2026 compared to \$319,126 in Q1 2025. This increase was primarily due to increased field office support and admin costs.

### ***Liquidity and Capital Resources***

The recovery of resource property related expenditures is dependent on the ability of the Company to obtain necessary financing to complete the development of its Rovina Valley Project or other potential projects and attain future profitable production. The Company's financial success will depend on its ability to raise financing to construct potential projects. At present, the Company has no established sources of income, and the success of its exploration and development programs will be contingent upon the Company's ability to raise sufficient equity financing on terms favourable to the Company. The Company does not expect to generate any internal cash flows to help finance the development costs of the Rovina Valley Project.

As at March 31, 2026, the Company had cash of \$2,024,862 (December 31, 2025 - \$1,592,407) and working capital deficiency of \$210,032 (December 31, 2025 – deficiency \$1,154,291). The Company's cash flow needs are for funding the continuing operations of the exploration work in Romania, working capital requirements and corporate administration.

On February 7, 2025, the Company closed the third tranche of a non-brokered private placement by issuing 5,700,900 units of the Company at a price of CAD\$0.05 per unit for gross proceeds of \$199,361 (CAD\$285,045). Each unit consists of one common share of the Company and one common share purchase warrant. Each warrant will entitle the holder to acquire one additional common share of the Company at an exercise price of CAD\$0.05 per common share until February 7, 2027. In connection with closing of the third tranche, the Company paid an aggregate amount of \$2,448 (CAD\$3,500) in cash commissions and 170,000 broker warrants to a finder. Each broker warrant will entitle the holder thereof to purchase one common share at a price of CAD\$0.05 for a period of 24 months from the date of the closing of the third tranche.

On February 13, 2025, the Company closed the fourth tranche of a non-brokered private placement by issuing 5,480,000 units of the Company at a price of CAD\$0.05 per unit for gross proceeds of \$192,375 (CAD\$274,000). Each unit consists of one common share of the Company and one common share purchase warrant. Each warrant will entitle the holder to acquire one additional common share of the Company at an exercise price of CAD\$0.05 per common share until February 13, 2027. In connection with closing of the fourth tranche, the Company paid an aggregate amount of \$6,389 (CAD\$9,100) in cash commissions and 182,000 broker warrants to a finder. Each broker warrant will entitle the holder thereof to purchase one common share at a price of CAD\$0.05 for a period of 24 months from the date of the closing of the fourth tranche. A director of the Company purchased 1,280,000 common shares as a part of this private placement.

### **Project Financing**

On July 10, 2025, the Company announced that it had entered a pre-development facility agreement to fund the construction of the Rovina Valley project. This agreement was subsequently amended on December 15, 2025. The total facility provides the Company up to \$200 million and to date, with a first tranche of \$2,500,000, a second tranche of \$17,500,000 which may be drawn down within 22 months, and a third tranche of \$180,000,000 which may be drawn down within 24 months, subject to completion of definitive agreements and is secured by all present and after-acquired assets of the Company and its subsidiaries. The first and second tranches of this loan mature on June 30, 2027. The third tranche of this loan matures on June 30, 2031. In the event that any amounts are drawn on the third tranche of the loan prior to the loan maturity date of the first and second tranches, the maturity date of the first and second loan will automatically extend to date of maturity date of the third tranche of the loan.

In July 2025, the Company had a drawdown of \$2,500,000 on the first tranche of the loan. In December 2025, the Company had a drawdown of \$2,000,000 on the second tranche of the loan. The interest rate on the first and second tranche of the loan is 5.5% plus the secured overnight financing rate per annum applicable to the relevant interest period. Interest is payable quarterly on the outstanding amount owing under the facility. The Company may elect to capitalize the interest payable on each interest payment date and have the interest added to the principal of the loan.

In the event that there is a change of control at the Company, the loan holder has the right to declare all principal draws on the facility, including accrued interest, immediately due and payable. The Company has the right to prepay the whole or any part of the facility at any time after 18 months from the date of the facility agreement.

As at March 31, 2026, the Company had borrowed \$4,500,000 from the loan facility. During the three months ended March 31, 2026, the Company accrued interest of \$54,404 in relation to the loan.

The Company issued 22,000,000 common share purchase warrants to the lender in relation to the loan. The common share purchase warrants are exercisable for one common share of the Company at an exercise price of \$0.50 and are exercisable through June 30, 2029. 2,750,000 warrants vested immediately, 2,200,000 vested upon the first drawdown of the second tranche of the project facility, and 17,050,000 will vest upon the second drawdown of the second tranche of the project facility.

The recoverability of the amounts shown as assets of the Company is dependent upon the Company obtaining the necessary financing to complete the exploration of its property, the discovery of economically recoverable reserves, any permitting required for mining activities, including environmental, and future profitable operations.

Current market conditions to raise finance for development stage mining projects are challenging. Failure to raise sufficient finance and / or a default on the Company's convertible security would cast material uncertainty on the Company's ability to continue as a going concern.

#### **Subsequent event**

#### **RSU grant**

On April 24, 2026, the Company granted 13,900,000 RSUs to various directors, officers, employees and consultants of the Company. 6,300,000 of these RSUs were granted to directors and officers of the Company. 7,650,000 of these RSUs vest immediately, with the remaining 6,250,000 RSUs vesting at such time that the Company is granted its mining permit for the Rovina Valley project.

#### **Operating Segments**

The Company has concluded that it has only one material operating segment, the development of its Romanian mining permit, for financial reporting purposes.

#### **Off-Balance Sheet Arrangements**

There are no off-balance sheet arrangements.

## **Financial Commitments, Contingencies and Litigation**

### Management Contracts

The Company is party to certain management contracts. These contracts require payment of approximately \$1,488,000 upon the occurrence of a change of control of the Company, as defined by each officer's respective consulting agreement. The Company is also committed to payments upon termination of approximately \$458,000 pursuant to the terms of these contracts.

### Environmental

The Company's exploration and evaluation activities are subject to laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company believes its activities are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

### Legal

The Company is subject to various claims, lawsuits and other complaints arising in the ordinary course of business. The Company records provisions for losses when claims become probable and the amounts are estimable. Although the outcome of such matters cannot be determined, it is the opinion of management that the final resolution of these matters will not have a material adverse effect on the Company's financial condition, operations or liquidity.

A former contractor of the Company has initiated a legal action seeking approximately \$363,000 in relation to the termination of the contract, of which the Company has accrued \$38,000 at March 31, 2026. The Company does not believe the additional termination amounts are due to the former contractor and the Company intends to defend the matter vigorously as it believes the former contractor's claim is without merit.

A former contractor of the Company has initiated a legal action seeking approximately \$925,164 (CAD\$1,200,000) in relation to the purported breach of the contract, of which the Company has accrued approximately \$117,000 at March 31, 2026. The Company does not believe the additional amounts are due to the former contractor and intends to reach a settlement with this contractor.

### Offtake agreement

In relation to the Company's project facility, the Company entered into an offtake agreement for copper concentrate on December 15, 2025. The offtake agreement will remain in place for a minimum of nine years from the commencement of commercial production, with the possibility of an extension if minimum delivery quantities are not achieved during the initial nine years. If the minimum delivery quantity is not met before the minimum term then the Company must sell 100% of the product until the minimum quantity has been delivered. The offtake agreement requires the delivery of the following copper concentrate mined:

- 15% from first drawdown of first tranche of the facility; minimum delivery quantity of 65,000 wet metric tonnes (wmt)
- 25% upon initial advance from second tranche of the facility; minimum delivery quantity of 140,000 wmt
- 55% upon second advance from second tranche of the facility; minimum delivery quantity of 300,000 wmt
- 100% upon closing date of the third tranche of the facility; minimum delivery quantity of 545,000 wmt

## Related Party Transactions

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, and also comprise the directors of the Company.

Key management personnel compensation:

	Three months March 31, 2026	Three months March 31, 2025
Directors and officers compensation	\$ 107,811	\$ 107,753

As at March 31, 2026, the Company had \$nil (December 31, 2025 - \$nil) in accounts payable owing to various officers and directors of the Company. These amounts are unsecured, non-interest bearing and due on demand.

In December 2024, the Company entered into a loan with an interest rate of 8% per annum with a director of the Company with a principal amount of \$252,665 (CAD\$350,000). The loan matured on December 19, 2025 and was secured by all assets and property of the Company. The principal of \$252,665 (CAD\$350,000) and accrued interest of \$13,457 (CAD\$18,641) related to this loan was repaid in full in August 2025.

See Notes 5, 6, 7, 9 and 12 in the consolidated financial statements.

## Material accounting policies

The unaudited condensed consolidated interim financial statements were prepared using the same accounting policies and methods as those used in the Company's consolidated financial statements for the year ended December 31, 2025.

## Internal Control over Financial Reporting

Euro Sun's management, including the CEO and CFO, is responsible for establishing and maintaining adequate internal control over financial reporting ("ICFR"). Under their supervision, the Company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. The Company's internal control over financial reporting includes policies and procedures that:

- Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions, acquisitions and dispositions of the assets of the Company; and
- Provide reasonable assurance regarding the prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the annual or interim financial statements.

The CEO and CFO have certified that internal controls over financial reporting have been designed and are operating effectively to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS as at March 31, 2026. Management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission on Internal Control 2013 ("COSO 2013") Framework to design the Company's internal control over financial reporting.

There were no changes in the Company's ICFR that have occurred during the period beginning on January 1, 2026 and ended on March 31, 2026 that have materially affected or is reasonably likely to materially affect the Company's internal control over financial reporting.

## **Limitations of Controls and Procedures**

The Company's management, including the Chief Executive Officer and Chief Financial Officer, believe that disclosure controls and procedures and internal control over financial reporting, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, they cannot provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been prevented or detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of simple errors or mistakes. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by unauthorized override of the controls. The design of any control system also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Accordingly, because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

## **Risk Factors**

Investing in the Company involves risks that should be carefully considered. The business and operations of the Company as well as those of its subsidiaries are speculative due to their nature, the locations in which they operate, and their relative stages of development. Investors should be aware that there are various risks, that could have a material adverse effect on, among other things, title to the projects, permitting, the operating results, earnings, business and condition (financial or otherwise) of the Company. For a listing of risk factors, investors should refer to the Company's Annual Information Form in respect of the year ended December 31, 2025 filed on SEDAR as well as the additional risk factor below on International Conflict.

### **International Conflict**

International conflict and other geopolitical tensions and events, including war, military action, terrorism, trade disputes, and international responses thereto have historically led to, and may in the future lead to, uncertainty or volatility in global commodity and financial markets and supply chains. Russia's invasion of Ukraine has led to sanctions being levied against Russia by the international community and may result in additional sanctions or other international action and the escalation of war between US/Israel and Iran, any of which may have a destabilizing effect on commodity prices, supply chains, and global economies more broadly. Volatility in commodity prices and supply chain disruptions may adversely affect the Corporation's business, financial condition, financing options, and results of operations. The extent and duration of the current Russia-Ukraine conflict or the US/Israel and Iran conflict and related international action cannot be accurately predicted at this time and the effects of such conflict may magnify the impact of the other risks identified in this MD&A, the financial statements of the Corporation or the AIF, including those relating to commodity price volatility and global financial conditions. The situation is rapidly changing and unforeseeable impacts, including on shareholders of the Corporation, and third parties with which the Corporation relies on or transacts, may materialize and may have an adverse effect on the Corporation's business, results of operation, and financial condition.

### **Additional Information and Continuous Disclosure**

Additional information, including the Company's press releases, has been filed electronically through the System for Electronic Document Analysis and Retrieval ("SEDAR") at [www.sedar.com](http://www.sedar.com).

## **Outstanding Share Data**

As at the date of this MD&A, the Company has:

- a) 447,404,633 common shares outstanding.
- b) 102,371,671 warrants outstanding with expiry dates ranging from July 18, 2026 to June 30, 2029 with exercise prices between CAD\$0.05 and CAD\$0.50. If all the warrants were exercised, 102,371,671 shares would be issued for proceeds of CAD\$18,079,490.
- c) 6,625,000 stock options outstanding with expiry dates ranging from February 17, 2028 to June 3, 2030 with exercise prices from CAD\$0.05 to CAD\$0.135. If exercised, 6,625,000 shares would be issued for proceeds of CAD\$429,375.
- d) 10,847,628 deferred share units with no fixed expiry.
- e) 13,469,736 restricted share units with no fixed expiry.

## **Cautionary and non-GAAP Measures and Additional GAAP Measures**

Note that for purposes of this section, GAAP refers to IFRS. The Company believes that investors use certain non-GAAP and additional GAAP measures as indicators to assess gold mining companies. They are intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared with GAAP. Non-GAAP and additional GAAP measures do not have standardized meaning prescribed under IFRS and therefore may not be comparable to similar measures presented by other companies.

## **Cautionary Statement Regarding Forward-Looking Information**

Except for statements of historical fact relating to Euro Sun certain information contained herein constitutes forward-looking information within the meaning of applicable Canadian securities legislation which may include, but is not limited to, information with respect to the Company's expected production from, and further potential of, the Company's properties; the Company's ability to raise additional funds; the future price of minerals, particularly gold and copper; the estimation of mineral reserves and mineral resources; conclusions of economic evaluation; the timing and amount of estimated future production; costs of production; capital expenditures; success of exploration activities; mining or processing issues; currency exchange rates; government regulation of mining operations; and environmental risks. Often, but not always, forward-looking statements/information can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes" or variations (including negative variations) of such words and phrases, or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Forward-looking statements/information is based on management's expectations and reasonable assumptions at the time such statements are made. Estimates regarding the anticipated timing, amount and cost of exploration and development activities are based on assumptions underlying mineral resource estimates and the realization of such estimates are set out herein.

Forward-looking information involves known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of Euro Sun and/or its subsidiaries to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include: uncertainties of mineral resource estimates; the nature of mineral exploration and mining; variations in ore grade and recovery rates; cost of operations; fluctuations in the sale prices of products; volatility of gold and copper prices; exploration and development risks; liquidity concerns and future financings; risks associated with operations in foreign jurisdictions; global conflicts, potential revocation or change in permit requirements and project approvals; competition; no guarantee of titles to explore and operate; environmental liabilities and regulatory requirements; dependence on key individuals; conflicts of interests; insurance; fluctuation in market value of Euro Sun's shares; rising production costs; equipment material and skilled technical workers; volatile current global financial conditions; and currency fluctuations; and other risks pertaining to the mining industry. Although Euro Sun has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Euro Sun does not undertake to update any such forward-looking information, except in accordance with applicable securities laws. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers are cautioned not to place undue reliance on forward-looking information.